



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 23, 2010

TO: Mayor and Councilmembers

FROM: Administration Division, Parks and Recreation Department

SUBJECT: Lease Of Las Positas Tennis Facility To Elings Park Foundation

RECOMMENDATION: That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving an 18-Year Lease with an Option to Renew for an Additional Ten Years with the Elings Park Foundation for the Las Positas Tennis Facility.

DISCUSSION:

One of the budget reduction strategies employed by the Parks and Recreation Department to address Fiscal Year 2011 budget challenges was to transfer maintenance and operation of General Fund facilities to community partners where appropriate. The Department engaged several community partners in discussions with the goal of continuing recreation services to the public which otherwise would have been seriously reduced or eliminated in response to declining General Fund support. Two opportunities were identified and approved with adoption of the budget, including the transfer of the Twelve35 Teen Center to the Police Activities League and transfer of the Las Positas Tennis Facility to the Elings Park Foundation.

Elings Park is a 230-acre privately funded public park, founded in 1980. Operated by the Elings Park Foundation, the park consists of two adjacent properties. The Foundation leases 94 acres from the City for one dollar a year through a 25- year lease. In 1999, the park purchased an additional 136 acres (former Jesuit Property) bringing the park to its current size. The current lease period is April 24, 2003, through 2028. Without any annual government funding, the Foundation operates the park solely on grants, donations and revenue generated through park programs and services. When the park was originally created, the Las Positas Tennis Facility was carved out from the lease parcel and has continued to be operated and maintained by the City's Parks and Recreation Department. Over the years, there has been interest by the Foundation to incorporate the tennis facility into the park due to its immediate adjacency to Elings Park.

When approached last year about the possibility of assuming maintenance and operation of the tennis facility, the Foundation Board confirmed their interest citing a long-term benefit for Elings Park as a whole and the opportunity to assist the City in continuing essential public recreation services in spite of difficult economic challenges. Additionally, the Foundation Board expressed their interest in improving the current condition of the facility to a level consistent with the overall quality of Elings Park.

The Las Positas Tennis Facility features six lighted courts with an on-demand lighting system, restrooms with adjacent shower/locker facilities, a small storage/office building, an enclosed backboard area, outdoor amphitheater seating area, and a parking lot. While the courts are in very good condition, the ancillary facilities are in very poor shape reflecting the City's challenges in addressing deferred maintenance. In fact, the shower/locker facilities have been closed to the public for several years due to their dilapidated condition.

While the programs and services provided at the facility generated revenue through activity fees, the operation was subsidized by the General Fund to the tune of approximately \$15,000 per year, including facility maintenance, custodial services, park maintenance, utilities, managerial oversight, and equipment. The City's six-year capital program has included a \$1.1M capital project to address deferred maintenance at the Las Positas Tennis Facility for at least ten years – just one of many unfunded deferred maintenance projects identified for Parks and Recreation facilities.

The tennis facility lease is generally based on the primary Elings Park lease and contains much of the same language. The term for the tennis facility lease is scheduled to coincide with the Elings Park lease on the assumption that the two will be combined into one document in the future. Similar to the park lease, annual rent payment to the City is one dollar, and an annual report will be provided to the City highlighting programs, completed maintenance, and any capital improvement plans approved by the Foundation Board over the previous year.

Use of the premises is limited to the development, operation and maintenance of a public tennis recreation facility. The Foundation will provide daily and annual operation and maintenance including utilities, equipment, custodial services, landscape maintenance and programming. Similar to how the facility has operated for years, programming will include a year-round balance of fee-based activities for youth and adults, including instruction programs, camps, clinics, leagues, and tournaments, and informal play on a drop-in basis. Consistent with the language of the park lease, any construction of new facilities on the tennis facility premises requires the consent of the Parks and Recreation Director and any applicable City development review process.

BUDGET/FINANCIAL INFORMATION:

The adopted Fiscal Year 2011 Parks and Recreation General Fund budget reflects the anticipated savings from transferring the Las Positas Tennis Facility to the Elings Park Foundation. Estimated annual savings to the General Fund is projected at \$15,000 in addition to the removal of an unfunded \$1.1M capital improvement project.

SUBMITTED BY: Nancy L. Rapp, Parks and Recreation Director

APPROVED BY: City Administrator's Office